VICTOR ATIYEH
GOVERNOR

Oregon Department of Revenue

REVENUE BUILDING
955 CENTER STREET N.E.
SALEM, OREGON 97310

December 30, 1985

TO: All Interested Parties

FROM: Donna Sanderson, Rules Coordinator Donna Sanderson

SUBJECT: Administrative Rules

Enclosed are copies of the Department of Revenue's Administrative Rules related to the administration of Local Budget Laws.

These rules were filed final with the Secretary of State's office December 26, 1985. The effective date is December 31, 1985.

These rules are to be used in conjunction with the 1983 published law books and the 1984 supplement, both containing the administrative rules of the department.

The 1985 Law Books are in the process of being compiled and published and will be available for purchase and distribution in April, 1986. Notices and order blanks will be sent out to those who received 1983 Law Books advising of the cost and the exact distribution date.

If you have any questions about the attached rules, please call me at 378-3363.

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Enclosures

OREGON DEPARTMENT
OF REVENUE

ADMINISTRATIVE RULE REVIEW

RULE NO.	
OAR 150- 294.311	
PAGE	DATE
1 of 1	December 16, 1985

X NEW RULE	X PERMANENT RULE
____ AMENDED RULE	____ TEMPORARY RULE
____ REPEALED RULE	____ TEMPORARY RULE BEING GIVEN PERMANENT STATUS

NOTICE OF INTENDED ACTION

BULLETIN DATED	HEARING SCHEDULED
October 15, 1985	November 21, 1985

PURPOSE: Define types of levies.

Definition of Levies

150-294.311

(1) "Tax base" means an amount of levy which a municipal corporation may levy every year without additional voter approval as prescribed by Article XI, Section 11, of the Oregon Constitution.

(2) "One-year special levy" means a levy outside of the tax base authorized by the voters for any purpose for a single fiscal year.

(3) "Fixed dollar amount serial levy" means a levy outside of the tax base authorized by the voters for not less than two nor more than 10 consecutive years. The dollar amount of levy authorized must be equal for each year. The levy is limited to a maximum of 3 years for general operating purposes and 10 years for any other purposes.

(4) "Tax rate serial levy" means a levy outside of the tax base authorized by the voters for 2 or 3 years for any purpose. The tax rate per thousand dollars of assessed value authorized must be the same in each of the years.

(5) "Continuing levy" means all continuing and millage levies which were established prior to the enactment of ORS Ch. 280 and those levies which were established after ORS Ch. 280, but outside the scope of that chapter. Continuing levies may be levied indefinitely. Municipal corporations may no longer establish continuing levies.

(6) "Bond levy" means a levy for payment of bond principal and interest for general obligation bonds.

Hist: Filed 10/5/85, Eff. 12/31/85

OREGON DEPARTMENT
OF REVENUE

ADMINISTRATIVE RULE REVIEW

RULE NO.
OAR 150- 294.361(2)

PAGE: 1 of 1

DATE: December 16, 1985

NOTICE OF INTENDED ACTION

BULLETIN DATED: October 15, 1985

HEARING SCHEDULED: November 21, 1985

__X__ NEW RULE
_____ AMENDED RULE
_____ REPEALED RULE

__X__ PERMANENT RULE
_____ TEMPORARY RULE
_____ TEMPORARY RULE BEING GIVEN PERMANENT STATUS

PURPOSE: Provide for budgeting of proceeds and interest received from sale of foreclosed property and mineral royalties.

Budget Resources

150-294.361(2)

Budget resources of a county shall not include proceeds and interest arising under ORS 275.090 to 275.310 which will be distributed to any municipal corporation. However, any proceeds and interest distributed under ORS 275.090 to ORS 275.310 shall be considered a budget resource for the municipal corporation receiving the distribution, including the county.

Hist: Filed 10/5/85 and Eff. 12/31/85

OREGON DEPARTMENT
OF REVENUE

ADMINISTRATIVE RULE REVIEW

RULE NO.
OAR 150- 294.450(3)

PAGE: 1 of 2 | DATE: December 16, 1985

NOTICE OF INTENDED ACTION

BULLETIN DATED: October 15, 1985 | HEARING SCHEDULED: November 21, 1985

_X_ NEW RULE
___ AMENDED RULE
___ REPEALED RULE
_X_ PERMANENT RULE
___ TEMPORARY RULE
___ TEMPORARY RULE BEING GIVEN PERMANENT STATUS

PURPOSE: Provide information necessary to do a transfer of appropriations.

Transfers of Appropriations

150-294.450(3)

(1) A transfer of appropriation is a decrease of one existing appropriation and a corresponding increase of another existing appropriation category.

(2) During the fiscal year the governing body of a municipal corporation may transfer from one existing appropriation category within a fund to another existing appropriation in the same fund when a resolution is adopted that authorizes this transfer. The resolution must state the purpose of the transfer, and adopt the amount of the transfer. The appropriation reductions must equal the appropriation increases. The total change in expenditures authorized will be zero.

(3) Resolution appropriation transfers may be made from the General Fund to any other fund. Resolution transfers may not be made from any other fund. The General Fund of a municipal corporation is the fund that the municipal corporation uses to finance its major activities. For purposes of ORS 294.450, all other funds are considered special revenue funds.

(4) Transfers of appropriations and a like amount of budget resources may be made from the General Fund to any other existing appropriation category by official resolution or ordinance. Transfer of appropriation and a like amount of resources to a special revenue fund is accomplished by creating, or increasing, a "transfer to other funds" appropriation category in the General Fund. The amount of this increase or created appropriation, must be offset by reductions in other appropriation categories in the General Fund. The net effect of this

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RULE NO. OAR 150- 294.450(3)

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_X_ NEW RULE
____ AMENDED RULE
____ REPEALED RULE

_X_ PERMANENT RULE
____ TEMPORARY RULE
____ TEMPORARY RULE BEING GIVEN PERMANENT STATUS

PURPOSE: Provide information necessary to do a transfer of appropriations.

resolution on the General Fund must be zero. Appropriation categories in the receiving special fund will be increased by the amount of the transfer, and the budget resources available to tnat fund will be increased by the amount of resources transferred from the General Fund.

Transfers referred to in this rule apply to transfers which occur after the budget has been approved and which are made during the year for which the appropriations are made. Nothing in this rule shall prohibit or regulate lawful transfers which have been budgeted in accordance with local budget law.

Hist: Filed 10/7/85 and Eff. 12/31/85

OREGON DEPARTMENT
OF REVENUE

ADMINISTRATIVE RULE REVIEW

RULE NO.: OAR 150-294.555(2)-(A)

PAGE: 1 of 2

DATE: November 26, 1985

____ NEW RULE
_X_ AMENDED RULE
____ REPEALED RULE

_X_ PERMANENT RULE
____ TEMPORARY RULE
____ TEMPORARY RULE BEING GIVEN PERMANENT STATUS

NOTICE OF INTENDED ACTION

BULLETIN DATED: October 15, 1985

HEARING SCHEDULED: November 21, 1985

PURPOSE: Remove unnecessary language. Add requirement necessary when taxing district will require a bonded debt levy.

Documents to File Where Tax Levy Has not Been Approved By Voters

150-294.555(2)-(A)

(1) On or before July 15, a municipal corporation which is subject to Local Budget Law and which levies an ad valorem tax shall submit the documents specified in this rule to the county assessor and clerk and, where required, the Tax Supervising and Conservation Commission.

(2) In those instances where the municipal corporation's operating tax levy has not been finally determined, the municipal corporation shall file two copies of the following documents with the county assessor and, where required, one copy with the Tax Supervising and Conservation commission, on or before July 15:

(a) A copy of the resolution or ordinance adopting the budget, making appropriations,

(b) A copy of the publication (notice of budget hearing and budget summary) required by ORS 294.421; and

(c) If prepared, a copy of the resolution or ordinance stating the next levy election and containing the ballot measure submitted for voter approval. Any municipal corporation requesting an extension of time as allowed by ORS 310.060, shall submit the above documents with the request.

(d) If the taxing district will require a bonded debt levy, the taxing district shall file a Notice of Tax Levy (Department of Revenue Form 150-504-050) and a copy of its detail budget pages that support this levy.

(3) When the tax levy is finally determined, the municipal corporation

OREGON DEPARTMENT
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ADMINISTRATIVE RULE REVIEW

____ NEW RULE	_X_ PERMANENT RULE	RULE NO. OAR 150-294.555(2)-(A)	
_X_ AMENDED RULE	____ TEMPORARY RULE	PAGE 2 of 2	DATE November 26, 1985
____ REPEALED RULE	____ TEMPORARY RULE BEING GIVEN PERMANENT STATUS	NOTICE OF INTENDED ACTION	
		BULLETIN DATED October 15, 1985	HEARING SCHEDULED November 21, 1985

PURPOSE: Remove unnecessary language. Add requirement necessary when taxing district will require a bonded debt levy.

shall file two copies of the following documents with the county assessor, and where required, one copy with the Tax Supervising and Conservation Commission:

(a) Notice of tax levy, (LB-50)

(b) Budget as finally adopted, and if applicable, the following:

(A) Amended resolution or ordinance adopting the budget, making the appropriations, and declaring the tax levy for each fund,

(B) Sample ballots of all tax levies recently approved by the voters and included in form LB-50.

(C) Levy computation worksheet (LB-60), if a serial or one-year special levy for operating purposes is approved by the voters and included in form LB-50.

(D) New Tax Rate Levy Computation Worksheet (LB-70) if a one-year special levy is approved by the voters and included in Form LB-50.

(E) LB-70 worksheet (LB-72) if the Non Ad Valorem Tax Revenue Decline Option is selected.

Hist: Filed 12/5/78, Eff. 12/31/78 Amended and renumbered from OAR 150-294.555, 12/31/79, 12/31/84, 12/31/85

LOCAL BUDGET LAWS

RULES TO BE ADOPTED

OAR 150-294.311 -- DEFINITIONS OF LEVIES

Legal Authority:	ORS 294.495 and ORS 294.311
Need for Rule:	Needed to define different levies which can be used by municipal corporations. Constitution and statutes do not provide definitions. Rule written as per suggestion of Attorney General.
Documents Relied On:	Budget Manual for Municipal Corporations, Attorney General opinions, letters. These documents are available for public inspection at the Office of the Director, Oregon Department of Revenue, Room 457 Revenue Building, 955 Center Street, N.E., Salem, OR 97310, during regular business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday.
Fiscal Impact:	None
Impact on Small Businesses:	None

OAR 150-294.361(2) -- BUDGET RESOURCES

Legal Authority:	ORS 294.495 and ORS 294.361
Need for Rule:	Needed to inform local government officials about when they need to include proceeds from tax foreclosure sales in budgets. Written at the request of Multnomah County.
Documents Relied On:	Governmental Accounting, Auditing, and Financial Reporting. This document is available for public inspection at the Office of the Director, Oregon Department of Revenue, Room 457 Revenue Building, 955 Center Street, N.E., Salem, OR 97310, during regular business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday.
Fiscal Impact:	None
Impact on Small Businesses:	None

OAR 150-294.450(3) -- TRANSFERS OF APPROPRIATIONS

Legal Authority:	ORS 294.495 and ORS 294.450(3)
Need for Rule:	Needed to inform local officials on procedure to use in making transfers under ORS 294.495(3). Statute as written does not detail the procedure. The rule is intended to answer many of the questions the department receives on how to proceed with a resolution transfer.
Documents Relied On:	Budget Manual for Municipal Corporation and Atttorney General opinion. These documents are available for public inspection at the Office of the Director, Oregon Department of Revenue, Room 457 Revenue Building, 955 Center Street, N.E., Salem, OR 97310, during regular business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday.
Fiscal Impact:	None
Impact on Small Businesses:	None

RULE TO BE AMENDED

OAR 150-294.555(2)-(A) -- DOCUMENTS TO FILE WHERE TAX LEVY HAS NOT BEEN APPROVED BY VOTERS

Legal Authority:	ORS 294.495 and ORS 294.555
Need for Rule:	Needed to reflect additional requirement added by the 1985 Legislature in Senate Bill 188.
Documents Relied On:	None
Fiscal Impact:	None
Impact on Small Businesses:	None